# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

STARRED QUESTION NO:239
ANSWERED ON:07.12.2006
RESTRUCTURING OF PUBLIC SECTOR OIL COMPANIES
Channappa Shri Kunnur Manjunath

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether the Government has examined the recommendations made by Dr. V. Krishnamurthy Committee on restructuring of public sector oil companies ;

(b) if so, the details of the recommendations accepted and implemented by the Government; and

(c) if not, the present status thereof ?

## Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a)to(c) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARAS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO.239 BY SHRI MANJUNATH KUNNUR, TO BE ANSWERED ON 7/12/2006 REGARDING RESTRUCTURING OF PUBLIC SECTOR OIL COMPANIES.

(a) & (b): In line with the recommendations of the Advisory Committee on Synergy in Energy under the Chairmanship of Dr. V. Krishnamurthy, Kochi Refineries Limited (KRL) has been merged with its holding company Bharat Petroleum Corporation Limited (BPCL). The merger of IBP Company Limited with Indian Oil Corporation Limited (IOC), is in the final stage. Steps have been initiated for the merger of Bongaigaon Refinery and Petrochemicals Limited (BRPL) with IOC.

(i) Government has approved the building of 5 Million Metric Tonnes (MMT) strategic crude oil reserves at three locations at Mangalore (1.5 MMT),

(ii) Vizag (1.0 MMT); and

(iii) Mangalore or nearby location (2.5 MMT). In-principle decision has also been taken to ultimately construct 15 MMT of strategic storage in phases.

The Petroleum & Natural Gas Regulatory Board (PNGRB) Act, 2006 was notified in the Gazette of India on 3.4.2006. Necessary action for setting up PNGRB is under way.

(c) The other recommendations are under consideration of the Government.